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PHILOSOPHY OF A FARM PROGRAM

(A talk by Dr. George Dykhuizen, Associate Professor of Philosophy, University of Vermont, at Agricultural Adjustment Administration Conferences at New York City, December 7, 1939; at Chicago, Illinois, January 2, 1940; and at Des Moines, Iowa, January 4, 1940)

Introduction

The AAA Program. It is perhaps no exaggeration to say that of the many legislative acts of recent years, none involves more profound changes in the economic lives of those concerned than does the law which establishes a farm program for the agricultural groups of the Nation. One who views the farm program of the last six or seven years is impressed by these facts: First, that it attempts to adjust the production of agricultural goods; second, that it substitutes collective for individual action in a number of instances; and, third, that it grants huge subsidies to farmers for soil-conservation practices and parity-price payments.

Some Objections Raised Against It. Each of these features of the program has been the subject of spirited controversy. There are those, for example, who believe that the placing of restrictions upon agricultural production is economically unsound, since wealth, after all, is created by production and not by curtailment, and who believe that a more promising approach to the problems of agriculture is one which would strive to increase the consumption of agricultural commodities rather than to restrict their production. Other observers dislike the element of collective action embodied in the program; they believe that it deprives the individual farmer of his traditional freedom and that it is contrary to the democratic way of doing things. Still others object to the subsidies paid to the farmers under the provisions of the program; they believe that such subsidies are economically unsound, since they subsidize inefficient farming at the expense of efficient agriculture and represent a transfer rather than an increase in the purchasing power of the Nation, and that they are morally bad in that they tend to undermine the farmer's self-reliance.

The Economics Versus the Ethics of the Program. Now each of these objections very well could be made the topic of an extended discussion, and a single short treatment cannot possibly hope to deal exhaustively with all of them. Moreover, a paper designed to deal with some of the moral aspects of the farm program does well to concentrate its attention upon this phase of the program while leaving the discussion of its economic aspects to the economists themselves.

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This is not to say, however, that the moral philosopher is not interested in economic programs. For, in spite of the fact that the higher values of life cannot be directly acquired by wealth alone, the moral philosopher finds it none the less true that, in an economy where so many of the good things of life are procurable on a money basis alone, the possession of an adequate money income is an essential prerequisite to living a life in keeping with the dignity of human personality.

Consequently, the moral philosopher requires of an economic program that it promote the economic welfare of all groups and not simply that of favored groups. Moreover, the moral philosopher requires that an economic program, in realizing this desirable goal, must not do unnecessary violence to certain other values essential to the happiness of all.

The Limits of the Present Discussion. Now whether or not the AAA program is furthering the economic well-being of farmers and, in so doing, is contributing to the prosperity of the Nation at large, as its supporters maintain -- this, to repeat, is a question the answer to which must rest with the economists.

Whether or not the present program, through its dependence on collective action and subsidy, does violence to certain other values essential to the good life of all concerned -- this, it would seem, is a question which rightfully belongs to the province of moral and social philosophy. And it is this question with which the present discussion will concern itself.

Collective Action and the Farmer's Democratic Heritage

The objections most commonly raised against the collective action involved in the AAA program, it will be recalled, are: First, that it deprives the farmer of his traditional liberty; and, second, that it is essentially undemocratic in nature.

The AAA program and the Farmer's Liberty. In the attempt to appraise the moral significance of group as contrasted with individual action, it is essential to bear in mind certain facts concerning the relation of the individual to group life.

The Individual and Group Life. Too often it is assumed that membership in a group is inherently hostile to personal liberty. Such a view assumes that the individual is an isolated, self-contained being enveloped in a miniature world of his own, in which he can come to full realization of himself if not interfered with by external social forces. It assumes that the essence of freedom is absence of external restraint and that the goal of any social order is to reduce these restraints to a minimum.

But such a view overlooks some important facts of human nature. It fails to see that man is essentially a social creature and can come to his highest fulfillment only to the extent that he shares and participates in the life of groups. It fails to see that man finds his deepest satisfactions in ends that involve associations with his fellows--associations which limit his freedom at the same time that they provide him with an opportunity to exercise his powers.

Because the individual is so inevitably drawn into the vortex of group life by virtue of the fact that he is human, the choice which continually confronts him, if he is free to choose, is not whether he shall participate in or remain aloof from group life, but whether this or that group provides the most ample opportunity for personal fulfillment should he actively identify himself with it.

The Farmer Under Laissez-Faire. Under laissez-faire economy the individual farmer had chosen to identify his economic interests with those of the group which comprised the six and one-half million competing farmers of the country. It is true that this group had no formal organization, that its ties were loose and its size unwieldy. But even so, under the conditions that obtained in eighteenth- and nineteenth-century America, this group served the interests of the individual farmer remarkably well. Though it imposed restraints on his economic activity in that he was not supposed to enter into collusion with others in order to circumvent free competition, it maintained for him a maximum amount of liberty in his economic affairs.

But this happy condition did not last. Various factors conspired to make this laissez-faire organization of farmers less able to fulfill its purpose. Individuals engaged in non-agricultural pursuits who belonged to more compact and better organized groups, such as were to be found in the fields of capital and labor, were enjoying advantages at the expense of the farmers of the country. The time came when the old organization of farmers could no longer guarantee the continued existence of the family-sized farm as an independent economic unit.

The Farmer a Member of a Cooperative Group Under AAA. Thus it became obvious to thoughtful observers that unless some profound and unexpected changes were to occur in the organizational set-ups of other economic groups, the farmer would have to shift his allegiance from the traditional laissez-faire group whose members competed with each other to a type of group whose members cooperated with each other after the fashion of groups in business and labor.

Under the arrangements provided by the new crop production adjustment program such group organizations among farmers have become possible. The farmer is encouraged to associate himself with a cooperative group comprising the farmers who raise the same basic commodity as he. He is encouraged to discuss his affairs with his fellows, and,

under the guidance and with the advice of federal agencies, to plan with this and similar groups throughout the country on matters concerning the production and marketing of the commodity they raise in common.

The idea behind this plan was the belief that through membership in such a group, the individual farmer could gain advantages otherwise accessible only to groups in capital and labor, including a control over his economic world which would compare favorably with the control he formerly enjoyed as a member of an earlier laissez-faire group.

The Farmer's Liberty in a New Guise. Now membership in any group of necessity entails limits to the personal liberties of the individual for the simple reason that, if the group is to achieve its avowed purpose, the individuals belonging to it must make their acts conform to the rules which have been set up. Only through such conformity can the integrity of the group and its activities be assured.

The important matter always is for the individual to have complete freedom, so far as this is possible, in his choice of group loyalties and an active share in the formulation of the plans and rules which are to govern the behavior of the members. For then the individual will regard those restrictions not as restraints arbitrarily imposed upon him by some external authority but as regulations dictated by the goal to which the group aspires and to which the individual has freely given his assent.

Membership in such groups as those set up under the provisions of the current AAA program most assuredly prescribes limits to the liberties formerly enjoyed by the individual farmer in that if he participates he must produce and market his commodities in accordance with the plan agreed upon by the members of the group. But the important things to bear in mind are: First, that under the provisions of the program the individual is free to associate or not to associate himself with such a group; second, that he is encouraged to participate in the formulation of the plans; third, that final decisions as to the amount of specified commodities to be marketed are left to a two-thirds vote of the participating members; and, finally, that he is enabled to put the plan into effect without economic ruin to himself through the aid of subsidy.

Now if the essence of freedom consists precisely in this-- that the individual be endowed with power to formulate plans and to realize in action the plans thus formed--it would seem that the new arrangement gives more genuine freedom to the farmer than that which he was enjoying in recent years as a competing member of a laissez-faire group. During the past decades, economic forces have been exercising a control over the farmers of the country as despotic and implacable as any ever endured. It is true that these forces imposed no legal restraints on the producing and marketing activities of the individual farmer. But, by forcing the farmer to accept prices which, under

different conditions, he would have refused as unjust and to pay prices which he would otherwise have rejected as unfair, these forces during the last decade robbed the six and one-half million competing farmers of all genuine freedom and left them at most only the illusion of freedom.

It is obvious, however, that the economic liberty of the farmers under the new arrangement has assumed a guise different from that which it bore in the eighteenth century. This form of liberty had long been recognized and adopted by other groups in the national economy, from corporation heads to labor-union members.

Collective Action and Democracy. But now the question arises as to whether such group action is in accord with the principles and practices of a democratic society. Before venturing an answer to this question, it may be well to have clearly in mind the nature of a democratic social order.

The Nature of a Democratic Social Order. It is necessary at the outset to bear in mind the fact that the term "democracy" represents a type and not some particular form of external social arrangement. A society may assume any one of many possible external forms and still be a democratic social order, provided it has retained the internal essence of democracy.

Any arrangement is democratic, it may be said, which both employs a certain method and envisages a certain goal. As method, democracy holds that majority rather than minority decisions are final and that persuasion rather than coercion must be used to sway people's minds and influence their actions. As end, democracy maintains that the arrangement entered upon must be to the mutual advantage of all concerned. In political life, for example, democratic government was described by Lincoln as a "government of the people, by the people, and for the people."

In these words of Lincoln there is the test which gauges the degree of democracy in any program or social arrangement. The question to be put to any program is not, "Does it conform to past or traditional practices?" but "Is it 'of the people, by the people, and for the people'?"

The Present Farm Program and Democracy. The present farm program would seem to conform to the standard set up by democracy as just defined. It is a program of the farmers, by the farmers, and for the farmers. Under the provisions of the AAA program, it will be recalled, the individual farmer is free to participate or not in its arrangements. Once he joins, he is urged to help formulate the plans of the program; he is encouraged to assume an ever greater responsibility in administering those plans; and in marketing he may have to abide by the decisions of a two-thirds majority.

Those who criticize the present farm program and all other forms of collective action as undemocratic have too narrow a view of what democracy is. They would identify it with a particular external form; namely, that which was to be found in the political and economic life of eighteenth- and nineteenth-century America; and they would condemn as undemocratic any program which deviates from these traditional and established routines.

Fortunately, democracy is not as rigid and fixed as some of its friends would have it, for then the chances are many that it would surely crack under the stresses and strains of the new economic conditions which have come upon the Nation. For the economic world of the twentieth century is not that of the eighteenth century. Under the impact of technological and social changes, the character of economic enterprise has been considerably altered, so that it is no longer carried on primarily by individuals acting independently of each other, but by organized groups whose members act in concert in order to achieve the ends sought by the individual members of the group. In so acting, as mentioned before, the individual does not abdicate his will or surrender his freedom that is allowed under democracy, but he wills objectives and engages freely in activities which involve associations with others.

As economic life becomes increasingly complex and as men are brought together in more and more intricate networks of relations, it becomes obvious that the older morality which put such a premium on an economic liberty essentially individualistic, must give way to a morality which puts a premium on an economic liberty essentially social in character. This more social form of democratic liberty is the type demanded by the current farm program.

Loyalty to the Values for Which Democracy Stands. The consideration to be kept constantly in mind is that one's loyalty always should be to the values for which democracy stands. These values, as expressed by Jefferson, are life, liberty, and the pursuit of happiness; or, as expressed by the philosophers of the French Revolution, these values are liberty, equality, and fraternity. The mistake all too frequently made by individualists and collectivists alike is that individualism or collectivism is made to appear as an end in itself, whereas each should be viewed as a means for furthering and establishing the values inhering in the democratic ideal of life. Which one of these means is to be employed in a particular case for the securing of this ideal must be determined in the light of facts and circumstances which exist at the particular time.

A plausible claim might well be made that this, in fact, has been the traditional American method of procedure. The American people in the past have not been irrevocably committed to either individualism or collectivism, but have resorted to one or the other as the occasion warranted. Thus, religion in this country could conceivably have become a collectivistic or State affair, but the people decided to make

this aspect of human experience a matter of the individual's conscience. On the other hand, education could well have remained the responsibility of the individual or of his family, but the people decided that the values of democracy could best be secured by making education a matter of social responsibility. In short, the traditional American attitude, as revealed by history, would seem to be one in which loyalty to the values inhering in democracy took precedence over loyalty to some particular "ism."

Farm Subsidies and the Farmer's Moral Well-Being

The objections so frequently made to the subsidies paid to the farmers, as stated above, are: First, that such subsidies are unduly paternalistic and tend to undermine the farmer's self-reliance; and, second, that these subsidies tax needy urban groups to pay the farmers and, therefore, are a species of group favoritism--they represent a transfer rather than an increase in purchasing power.

Subsidies and Group Favoritism. The second objection is primarily a matter for economists to deal with, since an adequate appraisal of its merits would require the marshaling of an array of facts that are the concern of the economists.

The Farmer's Share of the National Income. One fact, however, does stand out in bold relief; namely, the farmers have not always received their fair share of the national income. In 1919, one of their most prosperous years, for example, the farmers of the country received only 18.5 percent of the total national income though they comprised over 30 percent of the total population; while in 1932, when the national income shrank to a little more than half its former size, the farmer's share was reduced still further to 7 percent.

Without entering upon a refined analysis of the moral standard implied in the statement that the farmers have not always received a "fair" share of the national income, it can surely be admitted, as most observers are ready to admit, that a redistribution of national income more favorable to agriculture is called for.

Other Needy Groups Not to be Penalized. But from this it does not follow that all nonagricultural groups are to make up this deficit to the farmers. Obviously, it would be wrong to take money out of the pockets of those groups in the cities who are in as bad condition as the farmers.

Subsidy and General Economic Prosperity. The Congress, in authorizing the Agricultural Adjustment Administration program providing payments to farmers for conservation and in order to bring farm prices nearer to parity, in effect declared that the payment of subsi-

dies to the farmers increases national prosperity and so benefits the entire Nation, and more particularly the low-income groups residing in the industrial centers. This belief rests on the fact that agriculture plays such an important role in the national economy, both as the producer of raw materials which are processed in the urban centers and as the consumer of goods manufactured in the cities. The increased purchasing power which the farmer enjoys as a result of the subsidy, it is maintained, creates larger and more stable pay rolls for urban workers, which fact more than compensates for the higher prices for agricultural commodities which must be paid as an indirect result of the subsidy. Whether this contention finds verification in the facts is a matter for economists to ascertain.

Subsidies and the Self-Reliance of the Farmers

The Moral Significance of Self-Reliance. The significance of self-reliance for character resides in the fact that the capacities of the individual are developed only to the extent that they are called into action. The individual who faces with his own resources the variety of situations which constantly challenge him, by that very fact develops a multiplicity of powers which render him capable of rich and abundant living. In contrast, the individual who habitually relies upon the help of others, instead of upon the active exercise of his own abilities, by that very fact causes these powers to atrophy, and so limits his capacity for varied and deep enjoyments.

It does not follow, however, that all instances of external aid are harmful to the one who receives it. External aid in the form of education, for example, is absolutely essential if unsuspected stores of energy and skills locked up within the individual are to be released. Or, again, the individual who is inadvertently caught in a web of circumstances from which he is powerless to extricate himself, must be helped if he is to escape the paralyzing effects of a defeatist mental attitude.

In all instances where external aid is necessary, the morally desirable form of help is that which proceeds in an indirect way and removes the factors which render the individual powerless to help himself. The rule which ethics would prescribe is that others must be helped in such a way as would enable them independently to help themselves; for only in this way can their initiative and self-reliance, those qualities upon which their future growth depends, be safeguarded.

The Dangers to Farmers of Present Farm Subsidies. Now, there can be no doubt that the system of subsidy included in the current farm program is attended with moral danger. If such payments were to be continued over an extended period of time, for example, it is quite possible that there would develop among the farming groups of the Nation,

first, a feeling of dependence, and, then, one of inferiority; and, among the nonfarming groups of the Nation, the idea that farmers are inherently incapable of looking out for themselves. In this case, an undesirable class distinction would almost inevitably arise, an allegedly inferior group receiving aid and benefit from an allegedly superior group--a distinction which has no rightful place in a democratic social order.

The Merits of Present Farm Subsidies. On the other hand, it cannot be doubted that the payment of subsidies to farmers has had an incalculable moral value. In the first place, it has helped to resuscitate the morale farmers lost as the forces of depression overwhelmed them in the dark days following the stock market collapse; and, in the second place, it has helped to neutralize and dissolve the antisocial feelings of many farmers who in some instances were ready to break out in open rebellion. Much as direct financial aid, in general, is to be deplored, there can be no doubt that the payment of subsidies to attain the ends just mentioned is fully justified. And to the extent that these dangers are still impending is the continuance of subsidies justified.

Subsidies Usually to be Viewed as Palliatives, Not Cures. But all this is not to imply that the payment of subsidies solves problems. After all, there is considerable merit in the contention that money payments, as a rule, are merely palliatives and do not strike at the roots of economic difficulties.

This is surely the situation in the present plight of agriculture where the farmer's inability to care for himself arises from basic economic maladjustments. A sound policy of help for the farmers, from the point of view of ethics, is one which would attack the basic conditions so as to enable the farmers eventually to help themselves.

Those sponsoring the present program assert that the current system of subsidy is simply a temporary expedient rendered necessary till such time as other forces now set in motion by other agencies will have helped to put agriculture in economic equilibrium with the rest of the national economy, when the farmers will be enabled to help themselves. Whether this desirable state of affairs is being slowly but steadily accomplished is a question which lies outside the province of the student of moral philosophy and within the province of the student of economics.

